



NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|-----------|-----------|
| 9.5 DTLGA Grants | | |
| 9.5.1 (a) IDP Grant I | | |
| Balance unspent at beginning of year | 172,491 | 22,491 |
| Prior year adjustment | - | - |
| Current year receipts | (105,686) | 150,000 |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 66,805 | 172,491 |
| 9.5.1 (b) IDP Grant II | | |
| Balance unspent at beginning of year | 87,961 | 37,961 |
| Prior year adjustment | - | 50,000 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (151,883) | - |
| All conditions met and Grant Overspent | (63,922) | 87,961 |
| 9.5.1 (c) IDP Grant | | |
| Balance unspent at beginning of year | (109,170) | 73,900 |
| Prior year adjustment | - | - |
| Current year receipts | - | (17,347) |
| Conditions met – transferred to revenue | (115,313) | (165,723) |
| All conditions met and Grant Overspent | (224,483) | (109,170) |
| 9.5.2 Establishment Grant I | | |
| Balance unspent at beginning of year | 28,359 | 478,708 |
| Prior year adjustment | - | - |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (48,775) | (450,349) |
| All conditions met and Grant Overspent | (20,416) | 28,359 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|-----------|-----------|
| 9.5.2 Establishment Grant II | | |
| Balance unspent at beginning of year | (289,535) | (289,535) |
| Prior year adjustment | - | - |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (25,601) | - |
| All conditions met and Grant Overspent | (315,136) | (289,535) |
| 9.5.2 Establishment Grant II | | |
| Balance unspent at beginning of year | (289,535) | (289,535) |
| Prior year adjustment | - | - |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (25,601) | - |
| All conditions met and Grant Overspent | (315,136) | (289,535) |
| 9.5.4 DTLGA Financial Structure Grant | | |
| Balance unspent at beginning of year | 320,000 | 320,000 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (710,332) | - |
| All conditions met and Grant Overspent | (390,332) | 320,000 |
| 9.5.5 Transitional Grant | | |
| Balance unspent at beginning of year | 917,231 | 928,099 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (116,073) | (10,669) |
| Conditions still to be met – transferred to liabilities | 801,158 | 917,231 |
| 9.5.6 GIS Grant | | |
| Balance unspent at beginning of year | 193,777 | 32,664 |
| Current year receipts | 350,000 | - |
| Conditions met – transferred to revenue | - | (189,087) |
| Conditions still to be met – transferred to liabilities | 193,777 | 193,777 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|-----------|-----------|
| 9.5.7 Councilor Allowances Grant | | |
| Balance unspent at beginning of year | 25,157 | 25,157 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 25,157 | 25,157 |
| 9.5.8 CDW Grant | | |
| Balance unspent at beginning of year | 36,964 | - |
| Prior year adjustment | - | - |
| Current year receipts | - | 72,000 |
| Conditions met – transferred to revenue | - | (35,036) |
| Conditions still to be met – transferred to liabilities | 36,964 | 36,964 |
| 9.5.9 LUMS Grant | | |
| Balance unspent at beginning of year | (454,954) | - |
| Current year receipts | (15,390) | 80,000 |
| Conditions met – transferred to revenue | - | (534,954) |
| All conditions met and Grant Overspent | (470,344) | (454,954) |
| 9.5.10 Communication Grant | | |
| Balance unspent at beginning of year | 36,633 | 36,633 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 36,633 | 36,633 |
| 9.5.11 Ceramic Project Fund | | |
| Balance unspent at beginning of year | 510 | 510 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 510 | 510 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|-----------|-----------|
| 9.5.12 MSIP Grant | | |
| Balance unspent at beginning of year | 129,367 | 129,216 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (69,531) | - |
| Conditions still to be met – transferred to liabilities | 59,685 | 129,216 |
| 9.5.13 Capacity Support | | |
| Balance unspent at beginning of year | 753,367 | 677,714 |
| Prior year adjustment | 200,000 | - |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (118,740) | (124,347) |
| Conditions still to be met – transferred to liabilities | 634,627 | 753,367 |
| 9.5.14 Internal Controls Grant | | |
| Balance unspent at beginning of year | 150,000 | - |
| Prior year adjustment | - | - |
| Current year receipts | - | 150,000 |
| Conditions met – transferred to revenue | (298,348) | - |
| Conditions still to be met – transferred to liabilities | (148,348) | 150,000 |
| 9.5.15 Organizational Structure and HR Policies | | |
| Balance unspent at beginning of year | 137,000 | - |
| Prior year adjustment | - | - |
| Current year receipts | - | 137,000 |
| Conditions met – transferred to revenue | (261,110) | - |
| Conditions still to be met – transferred to liabilities | (124,110) | 137,000 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|-------------|---------|
| 9.5.16 Municipal Infrastructure Plan Grant | | |
| Balance unspent at beginning of year | 200,000 | - |
| Prior year adjustment | - | - |
| Current year receipts | - | 200,000 |
| Conditions met – transferred to revenue | (120,000) | - |
| Conditions still to be met – transferred to liabilities | 80,000 | 200,000 |
| 9.5.17 Ward Committee Induction Grant | | |
| Balance unspent at beginning of year | 12,000 | - |
| Prior year adjustment | - | - |
| Current year receipts | - | 12,000 |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 12,000 | 12,000 |
| 9.5.18 Public Participation Grant | | |
| Balance unspent at beginning of year | 250,000 | - |
| Prior year adjustment | - | - |
| Current year receipts | (269,878) | 250,000 |
| Conditions met – transferred to revenue | - | - |
| All conditions met and Grant Overspent | (19,878) | 250,000 |
| 9.5.20 Municipal Infrastructure Grant | | |
| Balance unspent at beginning of year | 200,000 | - |
| Prior year adjustment | - | - |
| Current year receipts | 2,013,698 | 200,000 |
| Conditions met – transferred to revenue | (2,341,627) | - |
| All conditions met and Grant Overspent | (127,929) | 200,000 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

9.5.21 MAP GRANTS

(1) Property Rates Act Implementation

| | | |
|---|-----------|-----------|
| Balance unspent at beginning of year | (836,176) | 63,125 |
| Current year receipts | 700,000 | 100,000 |
| Conditions met – transferred to revenue | - | (999,301) |
| All conditions met and Grant Overspent | (136,176) | (836,176) |

(ii) Performance Management System Grant

| | | |
|---|--------|----------|
| Balance unspent at beginning of year | 63,768 | (36,232) |
| Prior year adjustment | - | 50,000 |
| Current year receipts | - | 50,000 |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 63,768 | (63,768) |

(iii) Management Assistance Programme

| | | |
|---|-----------|-----------|
| Balance unspent at beginning of year | (287,261) | 597,513 |
| Prior year adjustment | (150,000) | - |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (24,002) | (734,774) |
| All conditions met and Grant Overspent | (311,263) | (287,261) |

(IV) Planning Support

| | | |
|---|-----------|---------|
| Balance unspent at beginning of year | 220,917 | 125,917 |
| Current year receipts | - | 95,000 |
| Conditions met – transferred to revenue | (258,550) | - |
| All conditions met and Grant Overspent | (37,633) | 220,917 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|-----------|---------|
| (v) Interdepartmental Monitoring Grant | | |
| Balance unspent at beginning of year | 69,106 | 73,324 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (114) | (4,218) |
| Conditions still to be met – transferred to liabilities | 68,992 | 69,106 |
| (vi) Admin Capacity Building | | |
| Balance unspent at beginning of year | 378 | 378 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 378 | 378 |
| (IV) Planning Support | | |
| Balance unspent at beginning of year | 220,917 | 125,917 |
| Current year receipts | - | 95,000 |
| Conditions met – transferred to revenue | (258,550) | - |
| All conditions met and Grant Overspent | (37,633) | 220,917 |
| (v) Interdepartmental Monitoring Grant | | |
| Balance unspent at beginning of year | 69,106 | 73,324 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | (114) | (4,218) |
| Conditions still to be met – transferred to liabilities | 68,992 | 69,106 |
| (vi) Admin Capacity Building | | |
| Balance unspent at beginning of year | 378 | 378 |
| Current year receipts | - | - |
| Conditions met – transferred to revenue | - | - |
| Conditions still to be met – transferred to liabilities | 378 | 378 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

9.6 HOUSING GRANTS

(I) Housing Projects Grant

| | | |
|---|-----------|-----------|
| Balance unspent at beginning of year | 60,452 | 14,348 |
| Current year receipts | 189,500 | 952,824 |
| Conditions met – transferred to revenue | (157,274) | (906,720) |
| Conditions still to be met – transferred to liabilities | 92,679) | 60,452 |

9.7. IDT GRANT

| | | |
|---|---------|-----------|
| Balance unspent at beginning of year | 104,176 | - |
| Current year receipts | 102,324 | 212,654 |
| Conditions met – transferred to revenue | - | (108,478) |
| Conditions still to be met – transferred to liabilities | 206,500 | 104,176 |

9.8. MPCC GRANT

| | | |
|---|-----------|---|
| Balance unspent at beginning of year | - | - |
| Current year receipts | (131,929) | - |
| Conditions met – transferred to revenue | 131,929 | - |
| All conditions met | - | - |

9.9. FLANDERS CAPACITY SUPPORT

| | | |
|---|-----------|---|
| Balance unspent at beginning of year | - | - |
| Current year receipts | (258,550) | - |
| Conditions met – transferred to revenue | 258,550 | - |
| All conditions met | - | - |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|--|------------------|------------------|
| 10. OTHER INCOME | | |
| Other Income | 32,369 | - |
| Tender Income | 6,316 | - |
| Telephone fees Recovered | 39,531 | 50,520 |
| Recovery of fruitless and wasteful expenditure | - | - |
| Total other income | 78,216 | 50,520 |
| 11. CREDITORS | | |
| Trade creditors | (179,289) | (724,345) |
| Payments received in advance | (1,874) | - |
| Other creditors | - | - |
| Total Creditors | (181,162) | (724,345) |
| 12. PROVISIONS | | |
| Staff leave | (50,000) | (90,690) |
| Bonus Provisions | (143,799) | (143,799) |
| Councillor Allowance Provision | - | - |
| Audit Provisions | - | - |
| Total Provisions | (193,798) | (234,489) |
| | | |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

13. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

13.1 Conditional grants from other spheres of government

| | | |
|---------------------------------|-----------|-----------|
| DTLGA Grants | | |
| IDP Grant I | 66,805 | 172,491 |
| -IDP Grant II | (63,922) | - |
| -IDP Grant | (224,483) | - |
| -Establishment Grant I | (20,416) | 28,359 |
| -Establishment Grant II | (315,136) | (289,535) |
| -DTLGA Financial Structure | (390,332) | 320,000 |
| -Transitional Grant | 801,158 | 917,231 |
| -GIS Grant | 193,777 | 193,777 |
| -Councillor Allowance Grant | 25,157 | 25,157 |
| -CDW Grant | 36,964 | 36,964 |
| -LUMS Grant | (470,344) | (454,954) |
| -Communication Grant | 36,633 | 36,633 |
| -Ceramic Project Fund | 510 | 510 |
| -MSIP Grant | 59,685 | 129,216 |
| -Capacity Support | 634,627 | 753,367 |
| -Internal Controls | (148,348) | - |
| -Organizational Structure | (124,110) | - |
| -Municipal Infrastructure Plan | 80,000 | - |
| -Ward Committee Induction Grant | 12,000 | - |
| -Public Participation Grant | (19,878) | - |
| -Municipal Infrastructure Grant | (127,929) | - |
| -MAP Grants | (351,934) | (769,268) |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|----------------|------------------|
| 13. UNSPENT CONDITIONAL GRANTS AND RECEIPTS | | |
| 13.1 Conditional grants from other spheres of government | | |
| -Property Rates Act Implementation | (136,176) | (836,176) |
| -PMS Grant | 63,768 | 63,768 |
| -Management Assistance Programme | (311,263) | (287,261) |
| -Planning Support | (37,633) | 220,917 |
| -Interdepartmental Monitoring | 68,992 | 69,106 |
| -Administration Capacity Building | 378 | 378 |
| NATIONAL GOVERNMENT | | |
| Equitable share | - | - |
| National Treasury – LG Financial Management Grant | (516,409) | 3 32 , 274 |
| Municipal System Improvement Grant | 1,077,121 | 1,384,477 |
| National Electrification Program | (317,125) | - |
| Project Consolidate | 484,441 | 7 82 , 885 |
| IDT FUNDING | | |
| IDT Grant | 206,500 | - |
| HOUSING GRANTS | | |
| Housing Project Grants | 92,679 | 60,452 |
| Total conditional grants and receipts | 717,690 | 3,660,035 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

14. CAPITAL COMMITMENTS

| | | |
|---|------------------|------------------|
| Commitments in respect of capital expenditure | - | - |
| -Approved and contracted for | | |
| - Approved but not yet contracted for | 7,256,514 | 2,932,000 |
| Upgrade of Mambuka Sports Ground | | 300,000 |
| Buchanana Paypoint | | 500,000 |
| Mathunzi Gravel Road | | 500,000 |
| Debe Art Centre | | 500,000 |
| Approved | | |
| Upgrade of Mambuka Sports Ground | 696,234 | |
| Buchanana Paypoint | 579,999 | |
| Mathunzi Gravel Road | 1,494,540 | |
| Somopho Community Centre | 2,098,685 | |
| Approved but not contracted | | |
| Donda Sport Grounds | 2,087,056 | |
| Professional Fees | | 332,000 |
| IDP Project | 300,000 | 800,000 |
| Total | 7,256,514 | 2,932,000 |
| This expenditure will be financed as follows | | |
| Equitable share | 300,000 | 800,000 |
| -Government Grants : MIG | 6,956,514 | 2,132,000 |
| -Prior year surplus | - | - |
| | 7,256,514 | 2,932,000 |





NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

14. CAPITAL COMMITMENTS

15. CHANGES IN ACCOUNTING POLICY

No changes in accounting policy occurred during the financial year.

16. PRIOR YEAR ADJUSTMENTS

16.1 Adjustments for the treatment of VAT had the following effects

| | AFS Balance | Adjustments | Restated Opening |
|-------------------------|-------------|-------------|------------------|
| VAT Control Account | - | 589,568 | 589,568 |
| Accumulated surplus | 8,910,221 | -542,438 | 8,367,783 |
| Land and Buildings | 6,653,688 | -11,229 | 6,642,459 |
| Vehicles | 1,736,099 | -26,362 | 1,709,737 |
| Furniture and Equipment | 662,510 | -2,154 | 66,356 |
| Office Equipment | 614,883 | -7,385 | 607,498 |

The registration of the Municipality as a VAT vendor was approved by SARS with effect from July 2006 during the financial year 2007-08. This resulted in a need to adjust as prior year Figures were captured inclusive of VAT.

| 16.2 ASSESSMENT RATES | 2007-08 | 2006-07 |
|---|-------------|---------|
| TOTAL MARKET VALUE | 181,466,000 | - |
| LESS : TOTAL REBATE | 9,073,300 | - |
| TOTAL RATEABLE VALUE | 172,392,700 | - |
| ANNUAL RATES (2% OF RATEABLE VALUE) | 861,964 | - |
| LESS : PHASE IN REBATES (75% OF ANNUAL RATES) | 646,473 | - |
| RATES 1 ST PHASE (25% OF ANNUAL RATES) | 215,491 | - |



APPENDIX I
NTAMBANANA LOCAL MUNICIPALITY ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2008

| | Opening Balance | Additions | Prior Year Adjustments | Decrease | Closing Balance | Opening balance | Additions | Deposits | Closing Balance | Value | Budget Additions 2006 |
|---------------------------|--------------------|----------------|---------------------------|------------------|--------------------|--------------------|------------------|----------------|--------------------|-------------------|-----------------------------|
| LAND AND BUILDINGS | | | | | | | | | | | |
| Land | 3,900,000 | - | - | - | 3,900,000 | - | - | - | - | 3,900,00 | - |
| Buildings | 2,753,600 | 100,153 | (11,229) | - | (2,842,612 | (385,526) | (226,916) | - | (612,442) | 2,212,170 | - |
| Sub-Total | 6,653,688 | 100,153 | (11,229) | - | 6,742,612 | (385,526) | (226,916) | - | (612,442) | 6,112,170 | - |
| Infrastructure | - | - | - | - | - | - | - | - | - | - | - |
| Water Equipment | - | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | - | - | - | - | - | - | - | - | - | - | - |
| Community Assets | - | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | - | - | - | - | - | - | - | - | - | - | - |
| OTHER ASSETS | | | | | | | | | | | |
| Furniture and fittings | 662,510 | 190,086 | (2,154) | - | 650,441 | (454,703) | (106,439) | - | (601,142) | 249,299 | - |
| Office Equipment | 614,983 | 10,235 | (7,385) | - | 617,733 | (261,029) | (76,094) | - | (337,123) | 280,610 | - |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - |
| Motor Vehicle | 1,736,099 | - | (26,362) | (586,401) | 1,123,336 | (649,384) | (303,573) | 432,839 | (520,119) | 603,217 | - |
| Bins and Containers | - | - | - | - | - | - | - | - | - | - | - |
| Waste Sites | - | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | 3,013,492 | 200,32 | (35,901) | (586,401) | 2,391,510 | (1,405,110) | (488,106) | 432,839 | (1,450,383) | (1,133,127 | - |
| Total | 9,667,180 | 300,474 | (47,130) | (586,401) | 9,334,122 | (1,790,642) | (713,022) | 432,839 | (2,070,825) | 7,245,297 | - |





APPENDIX II
NTAMBANANA LOCAL MUNICIPALITY
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2008

| | Cost | | | | Accumulated | | Depreciation | | | Carrying Value | | |
|-----------------------|-----------------|-----------|--------------------|----------|-----------------|-----------------|--------------|----------|-----------------|----------------|----------|----------|
| | Opening Balance | Additions | Under Construction | Deposals | Closing Balance | Opening Balance | Additions | Deposits | Closing Balance | | | |
| Executive and Council | - | - | - | - | - | - | - | - | - | - | - | - |
| Financial Management | - | - | - | - | - | - | - | - | - | - | - | - |
| Corporate Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Technical Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - | - |

APPENDIX III
NTAMBANANA LOCAL MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008

| 2007 | 2007 | 2007 | | 2008 | 2008 | 2008 |
|----------------------------------|-------------------|------------------|----------------------|-------------------|-------------------|------------------|
| Actual | Actual | Surplus/ | | Actual | Actual | Surplus/ |
| Income | Expenditure | (Deficit) | | Income | Expenditure | (Deficit) |
| R | R | R | | R | R | R |
| 14,237,186 | 9,498,975 | 4,738,211 | Executive & Council | - | 12,944,915 | (12,944,915) |
| - | 951,431 | (951,431) | Financial Management | 16,756,291 | 1,831,616 | 14,924,676 |
| - | 1,295,310 | (1,295,518) | Corporate Services | - | 2,120,294 | (2,128,294) |
| - | 700,087 | (700,007) | Technical Services | - | 800,964 | (800,964) |
| 14,237,186 | 12,446,011 | 1,791,175 | Sub-Total | 16,756,291 | 17,705,789 | (949,498) |
| Less: Inter-departmental Charges | | | | | | |
| 14,237,186 | 12,446,011 | 1,791,175 | Total | 16,756,291 | 17,705,789 | (949,498) |



APPENDIX IV
NTAMBANANA LOCAL MUNICIPALITY
ACTUAL VERSUS (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2008

| | 2008 | 2008 | 200 | 2008 | Expenditure of significant Variances greater than 10% vs budget |
|------------------------------------|-------------------|-------------------|----------------|---------------|--|
| | Actual R | Budget R | Variance % | Variance % | |
| REVENUE | | | | | |
| Assessment Rates | 215,491 | 215,491 | (0) | 0% | |
| Government Grants and subsidies | 15,933,471 | 12,064,000 | 3,869,471 | 32% | More grants than budgeted for were received |
| Rental of Facilities and Equipment | 47,228 | 35,000 | 12,228 | 35% | The house that was rented was disposed during the year |
| Interest Earned – Investments | - | - | - | | |
| Interest Earned – Current Account | 430,447 | 750,800 | (320,353) | -43% | |
| Other Income | 78,216 | 2,985,653 | (2,907,437) | -97% | |
| Gains on disposal of PPE | 51,438 | - | 51,438 | 0% | |
| Other | - | - | - | 0% | |
| Total Revenue | 16,756,291 | 16,050,944 | 705,347 | 4% | |
| EXPENDITURE | | | | | |
| Executive and Council | 12,944,915 | 10,301,870 | 2,643,045 | 26% | |
| Financial Management | 1,031,616 | 1,859,194 | (27,578) | -1% | |
| Corporate Services | 2,128,294 | 2,244,849 | (116,555) | -5% | |
| Technical Services | 800,964 | 1,245,032 | (444,068) | -36% | |
| Total Expenditure | 17,705,789 | 15,650,945 | 2,054,844 | 13% | |





**APPENDIX IV
NTAMBANANA LOCAL MUNICIPALITY
ACTUAL VERSUS (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2008**

| | 2008 Actual | 2008 Under Construction | 2008 Total Additions | 2008 Budget | 2008 Variance | 2008 | Expenditure of Significant Variances Variance greater than 10% vs budget |
|---------------------------|----------------|-------------------------------|----------------------------|----------------|------------------|------|---|
| | R | R | R | R | % | % | |
| Land and Buildings | | | | | | | |
| Land | - | - | - | - | - | | Delay in the approval of MIG Business Plans |
| Buildings | 100,153 | 400,000 | 500,153 | 1,800,000 | (1,299,847) | -72% | |
| Sub-Total | 100,153 | 400,000 | 500,153 | 1,800,000 | (1,299,847) | -72% | |
| Infrastructure | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| Community Assets | | | | | | | |
| | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| Sub-Total | - | - | - | - | - | | |
| Other Assets | | | | | | | |
| Office Equipment | 10,235 | - | 10,235 | 332,000 | (321,765) | -97% | Delay in the approval of MIG Business Plans |
| Furniture and Fittings | 189,082 | - | 189,082 | 800,000 | (610,916) | -76% | Delay in the approval of MIG Business Plans |
| Computer and Equipment | - | - | - | - | - | | |
| Motor Vehicles | - | - | - | - | - | | |
| Bins and Containers | - | - | - | - | - | | |
| Waste Sites | - | - | - | - | - | | |
| Sub-Total | 199,317 | - | 199,317 | 1,132,000 | (932,683) | -82% | |
| Total | 299,471 | 400,000 | 699,471 | 2,932,000 | (2,232,529) | -76 | |





CHIEF FINANCIAL OFFICER'S REPORT



Ms T R N Myeza

INTRODUCTION

2007/2008 financial year has flown by. Congratulations to Ntambanana Municipality to have successfully strived to achieve the unqualified report. Rising costs are affecting the entire country and as the municipality are under pressure to survive the financial onslaught. Obviously there has been a ripple effect throughout the economy and the municipality managed to control its operational costs to its best of ability during the year under review. 75% of the total budget is funded by grants and subsidies and only 25% of the total budget is other income. Even though the municipality is operating under such an obscure position the allocation of

R2 250 000 Municipal Infrastructure Grant Projects were all fully committed during 2007/2008.

The municipality would like to appreciate all the rate payers who diligently supported the municipality in honouring their accounts as this was the first year of implementation of the property rates. The municipality also issued numerous rates clearance certificates as some of the properties were transferred to new owners. This poses a challenge on the municipality as some of the properties have 10 years of rebate.

AUDIT AND ACCOUNTABILITY

INTERNAL CONTROLS

Ntambanana Municipality appointed the service provider to ensure that the proper controls are in place within Ntambanana Municipality. Delegation and

internal control systems were documented and submitted for adoption by the council during the third term.

INTERNAL AUDIT

Ntambanana Municipality has internal auditors whose tasks for 2007/2008 has been to review the previous year's queries. This was done with success as the report at the end of the year produced good results.

AUDIT COMMITTEE

The municipality had an audit committee in operation throughout the financial year. The committee operated in accordance with approved written terms of reference and substantially fulfilled its responsibilities for the year as set out in section 166(2) of the Municipal Finance Management Act No. 56 of 2003. It is with disappointment to report that Mr J. de Wet the chairperson of the audit committee for 2007/2008 resigned from this position in June 2008. Ntambanana Municipality would like to express sincere appreciation to Mr J. de Wet for his contributions he has made as the chairperson of the audit committee.

EXTERNAL AUDIT

The Management of Ntambanana Municipality is applauded for diligently addressing the four queries raised by Auditor General the previous year. This produced good results as there were no qualifying issues raised by Auditor General except for the other matters

OTHER MATTERS RECOVERY PLAN

In terms of the Municipal Finance Management Act No. 56 of 2003, the municipality has to draw the recovery plan on all other matters raised by Auditor General. According to the report the following issues need to be attended to by the municipality.



AUDIT QUERIES RECOVERY PLAN 2007/08

| QUERY | ACTION | TARG DATE | RESP PERS |
|---|--|-----------|-----------|
| MATTERS AFFECTING THE AUDIT REPORT | | | |
| 1 Interest | Tabling of Agenda item to council | 30-Jan-09 | CFO |
| 2 Performance information | Submission of 1st quarterly reports to council | 25-Jan-09 | MM |
| | Submission of Half yearly assessment to council | 25-Jan-09 | MM |
| | Establishment of the Performance Assessment Committee | 15-Feb-09 | MM |
| | Submission of quarterly reports to Internal Auditors | 30-Apr-09 | MM |
| OTHER IMPORTANT MATTERS | | | |
| 1 Lack of supervision of HR staff | Detailed supervision plan by the Dir Corp Services | 30-Jan-09 | Dir Corp |
| 2 Employee costs- Overtime | Submit report to council on the review of conditions of employment for Drivers | 28-Feb-09 | Dir Corp |
| | Review of policy on weekend event | 30-Jan-09 | Dir Corp |





AUDIT QUERIES RECOVERY PLAN 2007/08

| QUERY | ACTION | TARG DATE | RESP PERS |
|---------------------------------------|--|-----------|-----------|
| OTHER IMPORTANT MATTERS | | | |
| 3 Employee costs- Leave | Review of leave records from | 31-Mar-09 | MM |
| 4 Receivable- Debtors Listing | the 2005/06 financial year Review debtors listing and submit report to council | 30-Jan-09 | CFO |
| 5 Creditors recording of transactions | Designated staff go for training | 15-Jan-09 | CFO |
| | Utilising of creditors module | 01-Jan-09 | CFO |

OUR ACHIEVEMENTS IN THE 2008 FINANCIAL YEAR

Implementation of Standards of Generally Recognised Accounting Practice (GRAP) has been Ntambanana Municipality's main achievement. The municipality submitted an implementation plan detailing progress towards full compliance with GRAP to the National Treasury and the relevant provincial treasury before 30 October 2007. The municipality substantially complied with the implementation plan that was submitted, detailing progress towards full compliance with GRAP.

VOTE OF THANKS

In conclusion Ntambanana Municipality strongly believe that with determination reports with qualification can be of the past. I would like to express my gratitude to the staff in the Financial Services Department, the Mayor, the Municipal Manager, the members of the Finance Portfolio Committee, the Audit Committee and the internal auditors for the support given during the year.



REPORT OF CORPORATE AND COMMUNITY SERVICES DEPARTMENT 2007 / 2008



Mr. Xolani Zulu

The Corporate and Community Services Department is divided into three district components.

These are:

- (i) Management Services
- (ii) Community Services
- (iii) Administrative Services

(i) MANAGEMENT SERVICES

This section takes care or focuses on its internal customers by providing human resources and information technology services.

(ii) COMMUNITY SERVICES

The main responsibility of this section is to ensure the health and wellbeing of the residents of the municipality. The main responsibilities are:

- HIV /AIDS Awareness and Prevention
- Poverty Alleviation
- Programmes for the Youth, Women, Children and the Disabled (Special programmes)
- Disaster Management
- Sports and Recreation and Culture
- Local Economic Development (LED)
- Housing

(iii) ADMINISTRATIVE SERVICES

The core function of this Directorate is to provide support services to the other departments and sections of the municipality so as to ensure that the municipality delivers an effective and efficient service to the public. Primarily this involves providing secretarial, administrative and coordinating functions to the municipality, the Council, Office of the Mayor, Office of the Speaker and all Council Committees.

OBJECTIVES

The core objectives of this Directorate are:

- Timeous distribution of meeting agendas
- Producing precise reports of proceedings of meetings
- Developing and maintaining an organized, systematic and efficient system of records approved by the Department of National Archives.
- Timeous distribution of all incoming mail.
- Efficient management of the Switchboard or Receptionist

ANALYSIS OF THE FUNCTIONS

Two main areas of operation can be identified within the directorate, namely, Committee section and Registry.





REPORT OF CORPORATE AND COMMUNITY SERVICES DEPARTMENT 2007 / 2008

COMMITTEE SECTION

This section is responsible for the secretariat services in all meetings of Council and its other committees. It compiles agendas and records proceedings at the meetings.

During the 2007 /2008 financial year, a total of meetings of Council and its committees were held. The meetings of bid committees and other housing committee meetings are not included in the total given above.

REGISTRY

The Registry section serves as the responsibility of all Councils documents and records. For the year under review of 07 /08 documents are kept in hard copies. Notably so, there are various legal prescriptions that have to be observed by the Registry Section regarding the keeping of records, One of the highlights for this section related to such legal prescriptions, is that during the year under review, a file plan was compiled by the Department of Arts, Culture and Tourism.

Committee / Registry Section – Corporate Services

The Committee Section focuses mainly on the secretariat services in all Council meetings. Executive Committee Agendas, Council Agenda, Portfolio Agendas, Housing Forums agendas and other relevant ad hoc agendas are compiled in the aforesaid section.

The responsibility of this Section is to ensure that:

- All decisions and proceedings transpired during the meetings are communicated to Council timeously and the municipal records are kept in a safe place.
- Distribution of Agendas, Minutes and reports are done in time
- Scheduling of all meetings are also communicated with Council timeously.

MANAGEMENT SERVICES (HUMAN RESOURCES)

Overview

The Management Services section is responsible for the provision of a comprehensive Human Resources Service to our local municipality. These encompasses, recruitment, selection and induction, Training and Development, Employee relations, Employee benefits administration.

DESCRIPTIONS OF ACTIVITY RECRUITMENT

In the period to 30 June 2008 _____ vacancies were filled. The Employment Equity Report indicates that ____% of permanent staff came from the designated group.

TOTAL NUMBER OF STAFF AS AT 30 JUNE 2008

Corporate and Community Services

Executive Services

Finance Services

Technical Services

TRAINING

_____ Officials and _____ Councillors attended training courses in _____ training interventions, aimed at ensuring a qualitative service delivery to the area served by the municipality.





REPORT OF CORPORATE AND COMMUNITY SERVICES DEPARTMENT 2007 / 2008

EMPLOYEE BENEFITS

Number of employees on Pension or Provident Fund

NUMBER OF EMPLOYEES ON MEDICAL AID

BONITAS
GLOBAL HEALTH
MUNIMED
SAMWUMED
HOSMED

EMPLOYMENT EQUITY

Ntambanana Municipality is making great strides in meeting the requirements of the Employment Equity (EE) Act, and an Employment Equity Plan has been compiled to identify shortfalls and recommend solutions to ensure it meets its targets.

The municipality is committed to complying with the provisions of the Act, which is also indicated in its Employment Equity Plan. While it is the municipality's intention to achieve equity in the workplace, circumstances beyond its control have created an imbalance in the male or female ratio, which it is striving to correct.

THE WORKPLACE PROFILE AS AT 30 JUNE 2006

PDI's
BLACK PEOPLE
WOMEN
PEOPLE WITH DISABILITY

COMMUNITY SERVICES REPORT

The main responsibility of this section is to ensure the health and wellbeing of the residents of the district. The main activities are:

- Sport Recreation and Culture
- Disaster Management
- Poverty Alleviation
- Housing
- Local Economic Development (LED)
- Special Programmes (Youth, Children, Disabled, Women etc)
- HIV / AIDS Awareness and Prevention
- Integrated Development Plan (IDP)

COMMUNITY SERVICES REPORT

The main responsibility of this section is to ensure the health and wellbeing of the residents of the district. The main activities are:

- Sport Recreation and Culture
- Disaster Management
- Poverty Alleviation
- Housing
- Local Economic Development (LED)
- Special Programmes (Youth, Children, Disabled, Women etc)

- HIV / AIDS Awareness and Prevention
- Integrated Development Plan (IDP)

(i) SPORT RECREATION AND CULTURE

Ntambanana Municipality in the under review 07 /08, budgeted an amount of ±'b1 R120 000.00 for the promotion, unearthing and showcasing of abundant Sports talent evident in the area. The Annual SALGA-KZN Local eliminations were held in Buchanana Sportsfield where the following codes participated; Soccer (Male), Netball (Female), Athletics and Volleyball (Males)



REPORT OF CORPORATE AND COMMUNITY SERVICES DEPARTMENT 2007 / 2008

(ii) DISASTER MANAGEMENT

Ntambanana Municipality is an active partner in the shared services concept with uThungulu District Municipality, Rural Metro, Mbonambi & Nkandla Municipality. The local municipality prides itself for being under uThungulu District as one of the few districts that have a fully fledged Disaster Management Centre. The state of the Art disaster management vehicle operated by the district, with three removal canopies.

NTAMBANANA MUNICIPALITY ANNUAL REPORT 2007 / 2008 FOR HOUSING DEPARTMENT

**ASSISTANT MANAGER: HOUSING
MR. B.C.X. DLADLA**

(iii) HOUSING

INTRODUCTION

This report will focus on three different programmes that are underway in Ntambanana Housing Section. These programmes are:

- Housing consumer education
- New housing subsidy quantum
- Rural housing progress report.

1. HOUSING CONSUMER EDUCATION.

BACKGROUND

Housing consumer education is a programme aimed at addressing the lack of consumer education on housing related issues.

VISION

To operationalise the "Breaking New Ground" strategy in Housing Delivery through the design and monitoring of tailor made training programmes for various aspects of Housing demand (including Social Housing, Informal Settlements upgrading, etc)



NTAMBANANA MUNICIPALITY ANNUAL REPORT 2007 / 2008 FOR HOUSING DEPARTMENT

OBJECTIVE

To educate and train housing consumers (owners) for Ntambanana Municipality on their rights and responsibilities, thereby contributing towards:

- ✓ Protecting and strengthening low-cost housing,
- ✓ Enhancing the market value of low-cost housing,
- ✓ Using low-cost housing as collateral for leveraging credit by the poor,
- ✓ Building strong and vibrant communities in conjunction with programmes such as 'Community Development Workers', 'Expanded Public Works', and HIV& AIDS Awareness',
- ✓ Enhancing the maintenance culture of housing consumers and;
- ✓ Improving the sustainability of the housing unit as an inclusive element of the living environments.

APPROACH

- Design a Ntambanana Municipal framework for the Housing Consumer Education;
- Selective implementation in Ntambanana Municipality; and
- Design of generic and niche training modules;
- Roll out of a National education and training programmes in Ntambanana Municipality.

MOTIVATION FOR HOUSING CONSUMER EDUCATION TRAINING PROGRAMME.

The Housing Consumer Education Training Programme is intended to:

- Empower housing consumers to understand their housing rights and responsibilities, as well as the different types of subsidies offered by Government;
- Ensuring that housing consumers are educated on existing and new housing legislation, strategies, and approach;
- Deals with many basic issues of accessing a house;
- Important life skills associated with responsible home owner.

STRATEGY TO IMPLEMENT HOUSING CONSUMER EDUCATION.

The roll-out plan is divided into two strategies:

- Education Training and Development, and
- Marketing and Communication.

AREAS WHERE HOUSING CONSUMER EDUCATION WILL BE CONDUCTED IN NTAMBANANA MUNICIPALITY.

At present, the Ntambanana Municipality has no completed housing projects although three projects have been approved for implementation by the Provincial Housing Board. Two projects have started. The most focused areas will be areas falling on the below mentioned projects.



NTAMBANANA MUNICIPALITY ANNUAL REPORT 2007 / 2008 FOR HOUSING DEPARTMENT

APPROVED PROJECTS

| WARD | PROJECT NAME |
|--------|---------------------------------------|
| Ward 7 | Somopho South Housing Project |
| Ward 8 | Obizo Rural Housing Project |
| Ward 1 | Obuka Rural Housing |
| Ward 6 | Mambuka & Somopho North Rural Housing |

Progress:

- Community Development Workers (CDW's) were trained in Facilitation skills and Housing Consumer Education programme during October and November 2006.
- The next stage is for them to conduct the actual beneficiary training,
- In order for the Housing Consumer Education programme to be successful, CDW's will need to have ongoing support on the ground, while implementing Housing Consumer Education training.
- This will ensure sustainability of the programme and continuous knowledge enhancement.

HOUSING CONSUMER EDUCATION PROGRAMME

The programme is made up of modules written in IsiZulu, each dealing with different topics. The programme is divided into two parts:

Part 1: Generic Housing Consumer Education.

- o Your Housing Needs;
- o Tenure Options;
- o Affordability;
- o Housing Finance and Saving ;
- o Government Housing Subsidy and other Housing Assistance;
- o Contracts;
- o Consequences of Breach of Contracts
- o HIV/AIDS ; and
- o Sanitation, Health and Hygiene Accredited Programmes.



NTAMBANANA MUNICIPALITY ANNUAL REPORT 2007 / 2008 FOR HOUSING DEPARTMENT

Part 2: Specific Housing Consumer Education based on various subsidies schemes.

- o Ownership using the individual, the project linked or consolidation subsidy;
- o Ownership through the People's Housing Process;
- o The Rural Subsidy;
- o The Institutional Subsidy; and
- o Rental

2. NEW HOUSING SUBSIDY QUANUM AND THE INTRODUCTION OF THE NEW 40 SQUARE METRE QUALITY HOUSE.

On the 1 March 2007, Housing MINMEC approved the introduction of a new quality subsidised house with a minimum size of 40m² gross floor area and accompanying technical specifications as provided by the NHBRC. This new standard took effect on 1 April 2007 and will therefore only be applicable to projects approved on or after 1 April 2007. To enable you to implement the new house norm and related subsidy amount, the following salient aspects of the new dispensation are confirmed:

The house design

The house must be at least 40m² gross area and as a minimum include:

- ❖ 2 X bedrooms;
- ❖ 1 X separate bathroom with shower, hand basin and a toilet;
- ❖ 1 X combined kitchen living area
- ❖ A ready board electricity installation where electricity is available.

The new housing subsidy scheme amount for the construction of the 40m² house.

The new housing subsidy amount for the top structure is R38 984.00. The housing subsidy funding may with effect from 1 April 2007 only be applied for the construction of the new 40m² houses.

Subsidy Amounts for 2007/2008

| Individual and project Linked Subsidies | Top Structure Funding Only | Own Construction | Product Price |
|---|----------------------------|------------------|---------------|
| R0-R1 500 | R38 984.00 | None | R38 984.00 |
| R1 501-R3 500 | R36 505.00 | R2 479.00 | R38 984.00 |
| Indigent: Aged, Disabled and Health Stricken R0 – R3 500 | R38 984.00 | None | R38 984.00 |



NTAMBANANA MUNICIPALITY ANNUAL REPORT 2007 / 2008 FOR HOUSING DEPARTMENT

| | | | |
|--|--------------------------|--------------------------------|----------------------------|
| Institutional Subsidies R0 – R1 500 | R36 505.00 | Institutional must add Capital | At least R38 984.00 |
| Consolidation Subsidies R0 – R1 500 R1 501-R3 500 | R38 984.00 R36 505.00 | None R2 479.00 | R46 484.00* R46 484.00* |
| Indigent: Aged, Disabled and Health Stricken R0-R3 500 | R38 984.00 | None | R46 484.00* |
| Rural Subsidies R0- R3 500 | R38 984.00 | None | R38 984.00 |
| People's Housing Process R0 – R3 500 | R38 984.00 | None | R38 984.00 |

***Product Price=R38 984.00 PLUS services stand previously acquired at R7 500=R46 484.00**

3. RURAL HOUSING PROGRESS REPORT.

Ward: 1

Project Name: Obuka Rural Housing

Implementing Agent: Nhlangothi Development Services

No. of Houses: 1000

Status: The project has been put on hold by the Department of Housing till further notice. There are still some unresolved issues that the Department of Housing needs to resolve with the Implementing Agent.

Ward: 2

Project Name: Ogelweni Rural Housing

Implementing Agent: Umpheme Developments

No. of Houses: 1000

Status: The Implementing Agent is still waiting for the approval of Tranche 1 by the Department of Housing.

Ward: 3

Project Name: Njomelwana Rural Housing

Implementing Agent: Stedone Developments

No. of Houses: 1 000

Status: Registration of beneficiaries has commenced.



NTAMBANANA MUNICIPALITY ANNUAL REPORT 2007 / 2008 FOR HOUSING DEPARTMENT

Ward: 4

Project Name: Nomponjwana Rural Housing

Implementing Agent: Icebo Developments

No. of Houses: 1000

Status: Tranche 1 pack has been submitted to the Department of Housing for Approval.

Ward: 5

Project Name: Buchanan Rural Housing

Implementing Agent: ComHousing

No. of Houses: 1000

Status: The Implementing Agent is still waiting for the approval of Tranche 1 by the Department of Housing.

Ward: 6

Project Name: Mambuka & Somopho North Rural Housing

Implementing Agent: Inprodev PTY (LTD)

No. of Houses: 1000

Status: Sales Administration has commenced, expected completion by February 2009. All Tranche 1 work scheduled to be completed by end of March 2009.

Ward: 7

Project Name: Somopho Rural Housing

Implementing Agent: Lulekana CC

No. of Houses: 1000

Status: Construction of Houses has commenced. The commencement date was 05 May 2008. It is anticipated that the project will be finished on 05 November 2009. Currently there are 163 floor slabs constructed and 58 Top structures to wall plate level have been constructed.

Ward: 8

Project Name: Obizo Rural Housing

Implementing Agent: CHS Developments

No. of Houses: 1000

Status: Construction of Houses has commenced. 188 slabs have been casted so far and 155 walls to roof height have been built. 84 finished houses.





REPORT ON 2007/8 IDP BY AN IDP OFFICER

(iv) INTEGRATED DEVELOPMENT PLANNING REPORT

1. PURPOSE OF THE REPORT

To submit a report on 2007/8 IDP compilation.

2. BACKGROUND

In terms of the Municipal Systems Act No 32 of 2000. Chapter 5 Sec 25(1), each municipal council with a prescribed period after the start of its elected term adopt a single integrated development plan.

| 2007/8 IDP COMPILATION | | | | |
|--|--|--|--|---|
| DATES | DUTIES EXECUTED | LESSONS LEARNT | CHALLENGES | RECOMMENDATIONS |
| 30 August 2006 | <ul style="list-style-type: none"> 2007/8 IDP Process Plan adopted by Council | <ul style="list-style-type: none"> Good process plan is a result of a credible IDP | <ul style="list-style-type: none"> Not properly aligned with the district framework | <ul style="list-style-type: none"> That in the following year, the district must first adopt their process plan and submit to locals for alignment or visa versa |
| 07/09/2006 02/11/2006 07/03/2007 | <ul style="list-style-type: none"> IDP Representatives Forum | <ul style="list-style-type: none"> An excellent communication tool to integrated municipal programs to those of government | <ul style="list-style-type: none"> Government departments do not attend the rep forums as results some were cancelled | <ul style="list-style-type: none"> Serious intervention by the provincial department to urge government departments to take RF's seriously |
| 22/08/2006 03/10/2006 31/01/2007 09/04/2007 | <ul style="list-style-type: none"> IDP Steering Committee meetings | <ul style="list-style-type: none"> If all members are committed, this committee serves as a crucial communication structure internally, which support the IDP co-ordinator to produce a well structured IDP | <ul style="list-style-type: none"> Lack of internal commitment / support from colleagues | <ul style="list-style-type: none"> That, its about time that all colleagues do take ownership of the IDP through support and commitment towards all IDP initiatives. |



REPORT ON 2007/8 IDP BY AN IDP OFFICER

| INTEGRATED DEVELOPMENT PLANNING REPORT | | | | |
|---|--|---|--|--|
| 12 -14 March 2007 | <ul style="list-style-type: none"> Strategic Planning Workshop | <ul style="list-style-type: none"> Address 2006/7 MEC'S comments, for the preparation of the 2007/8 IDP | | <ul style="list-style-type: none"> A clear picture of what is entailed |
| | | <ul style="list-style-type: none"> A positive working spirit between officials, councillors and ward committees what is entailed in the 2006/7 A good foundation for the 2007/8 IDP | <ul style="list-style-type: none"> Due to the time constraints, a two day workshop was not sufficient to finish the program as planned. | <ul style="list-style-type: none"> It recommended that a strategic planning be convened in the next financial years, because that is where all employees are able to raise their opinions and learn from each other |
| | | <ul style="list-style-type: none"> Alignment of activities to formulate a good OPMS | | <ul style="list-style-type: none"> Further employees and councilors develop a good working relationship |
| 1 ST round >03-13 Oct. 06 2 nd >12-15 Feb 07 | <ul style="list-style-type: none"> Public Consultation meetings and Public Participation meetings | <ul style="list-style-type: none"> That the community is well aware of the financial being of our municipality | <ul style="list-style-type: none"> That they are prepared to assist where necessary, e.g voluntary work | <ul style="list-style-type: none"> That IDP Road shows in the next financial year be conducted in all wards, to maximized community participation. 14 September 2006 |
| | | | <ul style="list-style-type: none"> More that 15000 people in our municipal boundary are illiterate | |
| | | | <ul style="list-style-type: none"> Roadshows in Tribal Courts does not accommodate all people | |
| | Performance Management System <ul style="list-style-type: none"> Refuse removal per ward LED Strategy | | | |





REPORT ON 2007/8 IDP BY AN IDP OFFICER

| INTEGRATED DEVELOPMENT PLANNING REPORT | | | | | |
|--|--|---|--|---------------------------|---|
| 12 -14 March 2007 | <ul style="list-style-type: none"> Strategic Planning on IDP Process Plan | <ul style="list-style-type: none"> has 81 ward committee members for all eight wards. | <ul style="list-style-type: none"> Workshop Ward Committees Political issues/differences | - Ntambanana municipality | <ul style="list-style-type: none"> financially support |
| | | - Ntambanana municipality has prioritized to effectively utilize ward committees as structure of communication development to the community and back to the municipality. | | | |
| | | - Ward Committees training was held on 31 October 2006 at Municipal Offices | | | |
| | | - The purpose of the training it was to inform/educate committee members on the roles they expected to play with regard to the IDP compilation. | | | |
| | | - The workshop was successfully in that 100% participation was received from ward committees. | | | |



REPORT ON 2007/8 IDP BY AN IDP OFFICER

| INTEGRATED DEVELOPMENT PLANNING REPORT | | | | |
|--|---|---|---|--|
| | • | | | • |
| 29/09/06 26/10/06 31/10/06 | <ul style="list-style-type: none"> • UThungulu District Alignment meetings | <ul style="list-style-type: none"> • All Local six Local Municipalities jointly assist each other and all plans are aligned in this platform | <ul style="list-style-type: none"> • That this alignment meetings continue | |
| 26-28 Sep 2006 | <ul style="list-style-type: none"> • Capacity Building -Training to the IDP Officer on IDP <p>Key areas improved last FROM 2006/7 MEC comments:</p> <ul style="list-style-type: none"> • Revised Spatial Development Framework • Development of Organizational | <p>Certificate in IDP received aftrte a symposium held at Midrand</p> | | <ul style="list-style-type: none"> • That more training be given to the IDP coordinator since the IDP is compiled in house. |

2007/8 MIG PROJECTS

| WARD | NAME OF PROJECT | BUDGET | APPROVED |
|----------|--------------------------------------|-------------------------------------|---------------------------|
| 5 | Bhucanana Paypoint | R570,000.00 incl professional fees | Approved @ R1.,494.540-00 |
| 1 | Debe Arts Centre | R570.000.00incl professional fees | Approved @ R579 999-00 |
| 2 | Construction of Mathunzi gravel road | R570,000.00 incl. professional fees | Approved @579 999 -00 |





REPORT ON 2007/8 IDP BY AN IDP OFFICER

2007/8 INTERNAL FUNDED PROJECTS

| WARD | NAME OF PROJECT | BUDGET | APPROVED |
|------|-------------------------------|----------|----------|
| 4 | Nkwenkwe Pension Point | R100,000 | |
| 4 | Mpevu Community Garden | R100,000 | |
| 5 | Mondini creche | R100,000 | |
| 5 | Nsimbakazi creche | R100,000 | |
| 6 | Donda Sport Field | R200,000 | |
| 7 | Macekane Paypoint | R100,000 | |
| 7 | Ningizimu Creche | R100,000 | |
| 8 | Sibonelo Sentsha Block Making | R100,000 | |
| 8 | Mathunzini Community Garden | R100,000 | |
| 1 | Ntombokazi Sewing Centre | R200,000 | |
| 2 | Maduma Market Stalls | R200,000 | |
| 3 | Bhadaza Market Stall | R200,000 | |



REPORT ON 2007/8 IDP BY AN IDP OFFICER

(1)

(5) AREAS THAT WERE IMPROVED AS COMPARED TO THE 2006/7 IDP

Ntambanana Municipality appointed an Intergrated Development Planning Officer in August 2006, who will internally co-ordinate all the information that needs to be addressed on the IDP, further an external service provider was appointed to serve as a mentor to the IDP officer.

Long list of priority projects;

- Lack of communication between the municipality, service provider and sector departments;
- Repeated information;
- OPMS not aligned to organization objectives
- Budget misleading
- No proper consultation channels developed
- Process plan not detailed



REPORT ON LOCAL DEVELOPMENT

(v) LOCAL ECONOMIC DEVELOPMENT (LED)

NTAMBANANA MUNICIPALITY PURPOSE OF THE REPORT

To report on the overview of LED FOR 2007/2008

BACKGROUND

Ntambanana entered into partnership with Independent Development Trust to establish an LED unit within the Municipality, furthermore with the assistance of IDT a service provider was appointed to oversee the LED initiatives at Ntambanana.

LED SECTORS

The three main pillars of economy in Ntambanana are

- Agriculture
- Tourism
- Manufacturing

THE STRATEGIC OBJECTIVES ARE :

1. Implementation of LED strategy

The implementation of LED strategy to guide the implementation of economic development. The LED Strategy will assist in the implementation of the following projects

- Local Economic Development Agency
- LED Forum
- Marketing and Investment



REPORT ON LOCAL DEVELOPMENT

2. Implement Tourism Sector Plan

Implementation of Tourism sector plan to guide the development of tourism

KEY ISSUES FOR 2007/2008

- Review of LED Strategy
- Local Economic Development Agency Formation
- Luwamba Cultural Renaissance Centre
- P700 Road Construction
- Tourism sector plan

CHALLENGES

- Funding for LED project
- LED Forum Formation
- One official in LED section
- Misconception on LED
- Refinement / Alignment of LED Strategy with IDP

OUR ACHIEVEMENTS IN THE 2008 FINANCIAL YEAR

Implementation of Standards of Generally Recognised Accounting Practice (GRAP) has been Ntambanana Municipality's main achievement. The municipality submitted an implementation plan detailing progress towards full compliance with GRAP to the National Treasury and the relevant provincial treasury before 30 October 2007. The municipality substantially complied with the implementation plan that was submitted, detailing progress towards full compliance with GRAP.

VOTE OF THANKS



During 2007/2008 financial year a number of [63] meetings of Council were held.

The meetings include Executive Committee, Council, Housing Forum, Finance, Community & Corporate and Technical Portfolio Committee. It be noted that, the mentioned total number of meetings excludes ad hoc committee meetings held in the year.

| <i>Council</i> | <i>ExCo</i> | <i>Finance Portfolio</i> | <i>Corporate & Community Services</i> | <i>Technical Services</i> | <i>Housing Forum</i> |
|----------------|-------------|--------------------------|---|---------------------------|----------------------|
| 15 | 15 | 10 | 10 | 08 | 05 |

REGISTRY 2007/2008 FINANCIAL YEAR

Ntambanana Municipality realized the importance of the proper management and care of the public records as required by Act. No. 5 of 2000 and Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) and the Promotion of Administrative Justice Act, 2000, (Act No. 3 of 2000) which give right to Access of Records by the public.

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CORRESPONDENCE

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 JUNE 2008

| | | |
|---|----------------|----------------|
| Remuneration of the Chief Financial Officer | | |
| Annual Remuneration | 292,212 | 257,682 |
| Performance Bonuses | - | - |
| Cell phone Allowances | - | 6,000 |
| Car Allowances | 134,270 | 1110,435 |
| Contributions to UIF,SALGBC | - | - |
| Less: Employee cost included in other expenses | - | - |
| Total | 426,483 | 374,117 |
| Remuneration of the Corporate Services Manager | | |
| Annual Remuneration | 292,872 | 257,682 |
| Performance Bonuses | - | - |
| Cell phone Allowances | - | 6,000 |
| Car Allowances | 134,133 | 110,435 |
| Contributions to UIF,SALGBC | - | - |
| Less: Employee cost included in other expenses | - | - |
| Total | 427,005 | 374,117 |
| 5. REMUNERATION OF COUNCILORS | | |
| | 2008 | 2007 |
| Mayor's Allowance | | |
| Basic Salary | 125,433 | 111,147 |
| Travel Allowance | 50,297 | 51,381 |
| Cell phone Allowance | 8,276 | 7,820 |
| Pension | 16,888 | 16,672 |
| Personal Facility usage Allowance | 2,080 | 3,120 |
| Total Allowances | 202,974 | 190,140 |





REPORT ON 2007/8 IDP BY AN IDP OFFICER

| INTEGRATED DEVELOPMENT PLANNING REPORT | | | | | |
|--|--|---|--|---------------------------|---|
| 12 -14 March 2007 | <ul style="list-style-type: none"> Strategic Planning on IDP Process Plan | <ul style="list-style-type: none"> has 81 ward committee members for all eight wards. | <ul style="list-style-type: none"> Workshop Ward Committees Political issues/differences | - Ntambanana municipality | <ul style="list-style-type: none"> financially support |
| | | - Ntambanana municipality has prioritized to effectively utilize ward committees as structure of communication development to the community and back to the municipality. | | | |
| | | - Ward Committees training was held on 31 October 2006 at Municipal Offices | | | |
| | | - The purpose of the training it was to inform/educate committee members on the roles they expected to play with regard to the IDP compilation. | | | |
| | | - The workshop was successfully in that 100% participation was received from ward committees. | | | |



REPORT ON 2007/8 IDP BY AN IDP OFFICER

| INTEGRATED DEVELOPMENT PLANNING REPORT | | | | |
|--|---|---|---|--|
| | • | | | • |
| 29/09/06 26/10/06 31/10/06 | <ul style="list-style-type: none"> • UThungulu District Alignment meetings | <ul style="list-style-type: none"> • All Local six Local Municipalities jointly assist each other and all plans are aligned in this platform | <ul style="list-style-type: none"> • That this alignment meetings continue | |
| 26-28 Sep 2006 | <ul style="list-style-type: none"> • Capacity Building -Training to the IDP Officer on IDP <p>Key areas improved last FROM 2006/7 MEC comments:</p> <ul style="list-style-type: none"> • Revised Spatial Development Framework • Development of Organizational | <p>Certificate in IDP received aftrte a symposium held at Midrand</p> | | <ul style="list-style-type: none"> • That more training be given to the IDP coordinator since the IDP is compiled in house. |

2007/8 MIG PROJECTS

| WARD | NAME OF PROJECT | BUDGET | APPROVED |
|----------|--------------------------------------|-------------------------------------|---------------------------|
| 5 | Bhucanana Paypoint | R570,000.00 incl professional fees | Approved @ R1.,494.540-00 |
| 1 | Debe Arts Centre | R570.000.00incl professional fees | Approved @ R579 999-00 |
| 2 | Construction of Mathunzi gravel road | R570,000.00 incl. professional fees | Approved @579 999 -00 |





REPORT ON 2007/8 IDP BY AN IDP OFFICER

2007/8 INTERNAL FUNDED PROJECTS

| WARD | NAME OF PROJECT | BUDGET | APPROVED |
|------|-------------------------------|----------|----------|
| 4 | Nkwenkwe Pension Point | R100,000 | |
| 4 | Mpevu Community Garden | R100,000 | |
| 5 | Mondini creche | R100,000 | |
| 5 | Nsimbakazi creche | R100,000 | |
| 6 | Donda Sport Field | R200,000 | |
| 7 | Macekane Paypoint | R100,000 | |
| 7 | Ningizimu Creche | R100,000 | |
| 8 | Sibonelo Sentsha Block Making | R100,000 | |
| 8 | Mathunzini Community Garden | R100,000 | |
| 1 | Ntombokazi Sewing Centre | R200,000 | |
| 2 | Maduma Market Stalls | R200,000 | |
| 3 | Bhadaza Market Stall | R200,000 | |



REPORT ON 2007/8 IDP BY AN IDP OFFICER

(1)

(5) AREAS THAT WERE IMPROVED AS COMPARED TO THE 2006/7 IDP

Ntambanana Municipality appointed an Intergrated Development Planning Officer in August 2006, who will internally co-ordinate all the information that needs to be addressed on the IDP, further an external service provider was appointed to serve as a mentor to the IDP officer.

Long list of priority projects;

- Lack of communication between the municipality, service provider and sector departments;
- Repeated information;
- OPMS not aligned to organization objectives
- Budget misleading
- No proper consultation channels developed
- Process plan not detailed



REPORT ON LOCAL DEVELOPMENT

(v) LOCAL ECONOMIC DEVELOPMENT (LED)

NTAMBANANA MUNICIPALITY PURPOSE OF THE REPORT

To report on the overview of LED FOR 2007/2008

BACKGROUND

Ntambanana entered into partnership with Independent Development Trust to establish an LED unit within the Municipality, furthermore with the assistance of IDT a service provider was appointed to oversee the LED initiatives at Ntambanana.

LED SECTORS

The three main pillars of economy in Ntambanana are

- Agriculture
- Tourism
- Manufacturing

THE STRATEGIC OBJECTIVES ARE :

1. Implementation of LED strategy

The implementation of LED strategy to guide the implementation of economic development. The LED Strategy will assist in the implementation of the following projects

- Local Economic Development Agency
- LED Forum
- Marketing and Investment



REPORT ON LOCAL DEVELOPMENT

2. Implement Tourism Sector Plan

Implementation of Tourism sector plan to guide the development of tourism

KEY ISSUES FOR 2007/2008

- Review of LED Strategy
- Local Economic Development Agency Formation
- Luwamba Cultural Renaissance Centre
- P700 Road Construction
- Tourism sector plan

CHALLENGES

- Funding for LED project
- LED Forum Formation
- One official in LED section
- Misconception on LED
- Refinement / Alignment of LED Strategy with IDP

OUR ACHIEVEMENTS IN THE 2008 FINANCIAL YEAR

Implementation of Standards of Generally Recognised Accounting Practice (GRAP) has been Ntambanana Municipality's main achievement. The municipality submitted an implementation plan detailing progress towards full compliance with GRAP to the National Treasury and the relevant provincial treasury before 30 October 2007. The municipality substantially complied with the implementation plan that was submitted, detailing progress towards full compliance with GRAP.

VOTE OF THANKS



During 2007/2008 financial year a number of [63] meetings of Council were held.

The meetings include Executive Committee, Council, Housing Forum, Finance, Community & Corporate and Technical Portfolio Committee. It be noted that, the mentioned total number of meetings excludes ad hoc committee meetings held in the year.

| <i>Council</i> | <i>ExCo</i> | <i>Finance Portfolio</i> | <i>Corporate & Community Services</i> | <i>Technical Services</i> | <i>Housing Forum</i> |
|----------------|-------------|--------------------------|---|---------------------------|----------------------|
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YEAR 2007/2008 ANNUAL REPORT FOR TECHNICAL SERVICES DEPARTMENT

The report is set out to provide information on various projects executed by Ntambanana Municipality and implemented by Technical services department in the financial year 2007/2008.

(vi) HIV /AIDS PROGRAMME

The UNDP made US \$ 1 Million available over three years for an HIV / AIDS model communities project. The uThungulu District Municipality pledged a substantial financial contribution towards the project. Out of the Project, each participating local municipality was allocated a Community Development Associates (CDA) (person or official responsible for HIV /AIDS issues)

One of the primary aims of the project is to empower local communities to manage the pandemic the socio – economic issues which surround it such as the growing number of HIV /AIDS Orphans and people dying of the disease at home because they cannot afford medical care.

The Community Development Associate (CDA) permanently stationed in Ntambanana Municipality primary responsibility is to ascertain the information of a Local Aids Council and its functionally.

NB// YOUTH DAY CELEBRATION

Ntambanana Municipality held a Youth Day Celebration on 16 June 2008 in Buchanan Sportsfield. The primary intention of the Youth DAY celebration was to expose the Youth of Ntambanana Municipality to opportunities and challenges that could be ceased and overcomes respectively.

Youth Programmes were also shared by UMfolozi College, Department of Sport & Recreation, Department of Health, Social Development and uMsobomvu Youth Fund.







SNAPSHOTS OF MUNICIPALITY WARDS

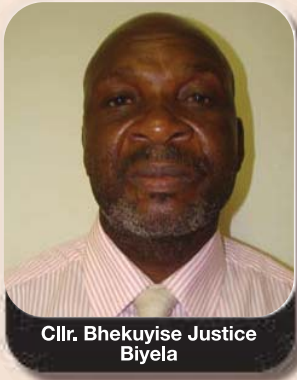


**Cllr. Moses Bonginkosi
Magwaza**

WARD 1

Ntambanana Municipality ward 1 is situated in the boarder of Mthonjaneni Municipality and it is under the leadership of Cllr. Moses Bongikosi Magwaza. The ward has got 7 subwards namely: Debe, Ntombokazi, Lumbi, Mawanda, Maphukangula, Viceni and Nungwini

Ward 1 is approximately 217,935 in square metres and the population size is 8303 and the population density is 38. The entire ward is situated under Obuka Traditional Authority under Inkosi PC Biyela.



**Cllr. Bhekuyise Justice
Biyela**

WARD 2

Ntambanana Municipality's Ward 2 is also situated in the boarder of Mthonjaneni and Ntambanana Municipalities under the leadership of Cllr. Bhekuyise Justice Biyela. The ward has got sub wards Namely: Mabhensa, Kwa-Mbiza, Esidakeni, Gobihlahla, Edanyini, Kwa-Maduma and Keteza.

Ward 2 is approximately 71.355 in square metres with the population size of 11350 and the population density being 159. The entire ward is under oBuka Traditionally Authority led by Inkosi PC Biyela.





SNAPSHOTS OF MUNICIPALITY WARDS



Cllr. Jackson Mlawu

WARD 3

The ward is also situated in close proximity of Mthonjaneni Municipality under the leadership of Cllr Jackson Mlawu. The ward has got sub-wards namely:Njomelwana,Bhadaza, Ngqungqu,Siyethemba,GqabhyeniGobihlahla Dlomodlomo,Mbiza,

The ward is approximately 122 109 in square metres with the populations size of 13 295 and the ward populations density is also under Obuka Traditional Authority led by Inkosi PC Biyela.



Cllr. Z. J Biyela

WARD 4

The ward is the last ward situated in the boarded of Mthonjaneni and uMlalazi Municipalities under the leadership of Cllr. Z.J Biyela. The ward has got sub-wards namely:Nkwenkwe,Bhonkolo,Nomponjwana,Mpevu Masangweni,Qunebe-Hlaza,Qomintaba.

Ward 4 is approximately 65 851 square metres with the population size of 6 836 and the ward population density is 104 the whole ward is under oBuka Traditional Authority led by Inkosi PC Biyela





SNAPSHOTS OF MUNICIPALITY WARDS



Cllr. TE Biyela

WARD 5

The ward is situated in close proximity of uMlalazi Municipality towards the inland of Ntambanana Municipality and the ward is under the leadership of Cllr. TE Biyela (youngest Cllr. of the municipality). Ward 5 has got sub-wards being Sangoyana, Mondini, Dark City, Top City, Mancence, Masangweni, Qhibukhwe, Nsimbakazi, Qomintaba, Kwa-Gamu, Mabhensa, Etiyeleni

The ward is approximately 297 099 square metres size with the population size of 12 185 and the ward population density is 41. The entire ward is under oBuka Traditional Authority led by Inkosi PC Biyela.



Cllr. Excellent Mbongiseni Chonco

WARD 6

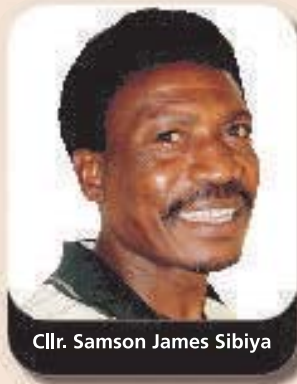
The ward is situated in the boarder of Mbonambi Municipality and it is under the leadership of Cllr. Excellent Mbongiseni Chonco. The ward has got sub-wards namely: Mvazane, Ntuzuma, Mandlanzini, Mningi, Magwetshana, Bhiliya.

The ward is approximately 81 061 square metres in size with the population size 12 786 and the ward population density is 158. The entire ward is under Somopho Traditional Authority led by the late Inkosi Mthembu.





SNAPSHOTS OF MUNICIPALITY WARDS



Cllr. Samson James Sibiya

WARD 7

The ward is situated in the boarder of uMhlathuze Municipality and it is under the leadership of Cllr. Samson James Sibiya. Ward 7 has got sub-wards being Macekane, Stezi, Ntabinamasi, Laithombothi, Ningizimu, Isihuzu and Gxigxi

Ward 7 is approximately 156.11 square metres in size with the population of sice of 8822 and the ward population density is 57. The whole ward is under Somopho Traditional Authority led by late Inkosi Mthembu.



Cllr. Shokwakhe Agrippa Mpanza

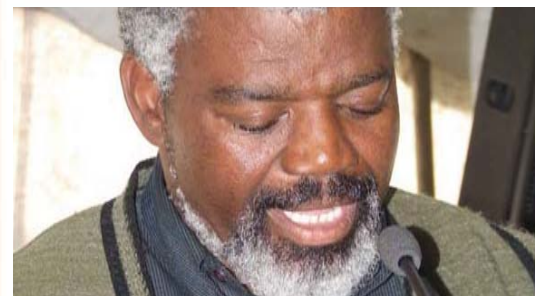
WARD 8

The ward is situated in close proximity of uMhlathuze Municipality towards the inland of the municipality. The ward councillor is Cllr. Shokwakhe Agrippa Mpanza (The Mayor). The entire ward is under Obizo Traditional Authority and Mambuka Traditional Authority led by Inkosi RN Cebekhulu and Inkosi M Mthiyane. The ward has got sub-wards being Ndondwane, Mquzankunzi, Obizo, Maqedipuleti, Hlaza, Nqutshini. Mzinimalongwe, Ningizimu, Makholwase, Mathunzini, Mambuka

The ward is approximately 71 232 square metres in size with the population size of 11 195 and the ward population density is 157.



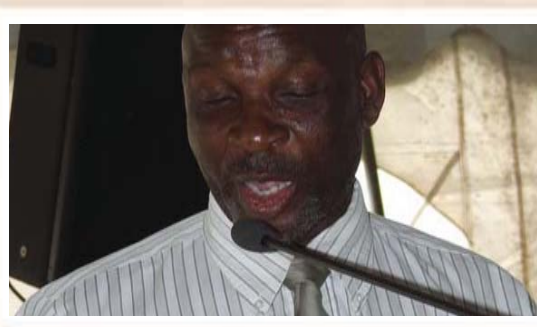
SNAPSHOT OF IDP AND BUDGET ROADSHOWS



SNAPSHOT OF IDP AND BUDGET ROADSHOWS



SNAPSHOT OF IDP AND BUDGET ROADSHOWS



SNAPSHOT OF IDP AND BUDGET ROADSHOWS



SNAPSHOT OF IDP AND BUDGET ROADSHOWS



PHOTO GALLERY



This image shows a single sheet of white paper with horizontal blue or grey ruling lines, typical of notebook paper. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

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